



Bulletin 132-91
June 1992

State of California
The Resources Agency

Department of
Water Resources

Management of the California State Water Project Appendix D Costs of Recreation and Fish and Wildlife Enhancement



Douglas P. Wheeler
Secretary for Resources
The Resources Agency

Pete Wilson
Governor
State of California

David N. Kennedy
Director
Department of Water Resources

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may be obtained FREE from:**

**Department of Water Resources
P.O. Box 942836
Sacramento, CA 94236-0001**



**ON THE COVER: The beach at
Castaic Lagoon provides a place
for many kinds of recreation,
including picnics. Food is
available from the concessions
in the background.**

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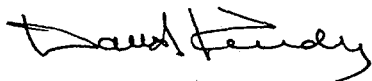
Foreword

The Davis-Dolwig Act (Sections 11900-11925 of the California Water Code) declares that providing for the enhancement of fish and wildlife and for recreation in connection with State water projects benefits all of the people of California and that the costs attributable to such enhancement should be borne by them. The Act also provides a procedure through which the Department of Water Resources will be reimbursed for those project costs which are allocated to recreation and fish and wildlife enhancement and for costs of acquiring property for recreation development. The Department is to report such expenditures to the Legislature annually.

This constitutes the Department's 1991 report to the Legislature in compliance with the above requirement. An increase of \$1,497,140 for recreation and fish and wildlife enhancement is reported herein. The increase consists of \$1,504,602 for joint capital costs of the State Water Project allocated to recreation and fish and wildlife enhancement, and a decrease of \$7,462 for specific recreation land costs. The increase is a result of costs incurred for the 1990 calendar year and adjustments to historical expenditures.

Prior to this report the Department has received \$90,000,000 in reimbursements from the State's tideland oil and gas revenues which was authorized specifically for that purpose (Public Resources Code Section 6217).

The enactment of AB 1442 (Statutes of 1989, Chapter 716) significantly changes the way the Department is reimbursed for State Water Project costs reported in this appendix. AB 1442 amended Section 11913 and added Sections 12303, 12929.10, and 12929.13 to the California Water Code. This legislation cancels (1) specified obligations of the General Fund to reimburse the State Water Project in 1990 the amount of \$172,291,000 for fish and wildlife enhancement and recreation costs through June 30, 1988 (\$155,087,000 of which is for capital costs contained herein) and (2) the obligation of the project to reimburse the California Water Fund in an equal amount. AB 1442 also provides for automatic offset of future Davis-Dolwig expenditures against the remaining State Water Project debt to the California Water Fund, contingent upon annual approval by the Legislature of the Department's allocation of those costs.



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State of California
The Resources Agency
Department of Water Resources

CALIFORNIA WATER COMMISSION

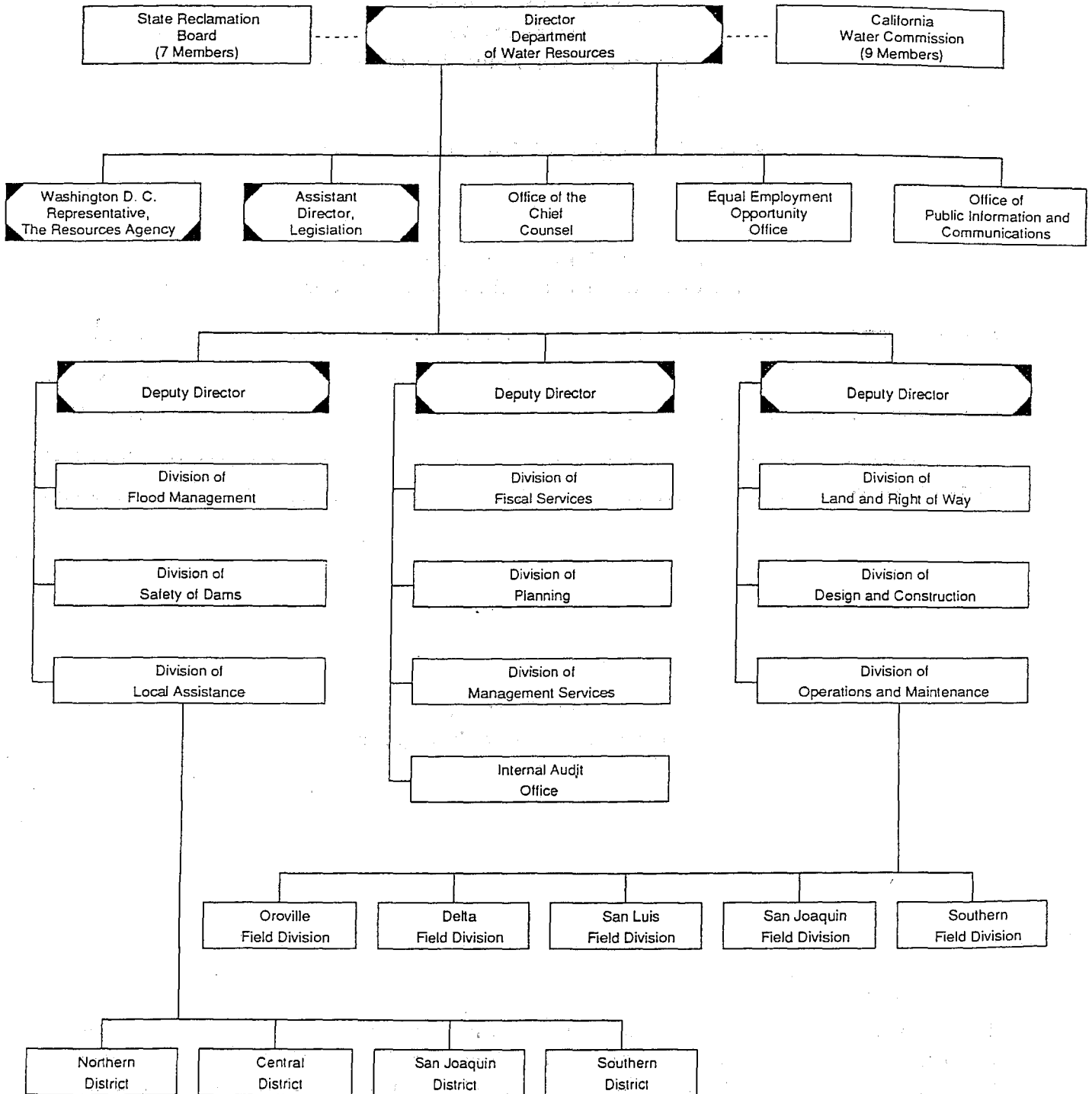
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The California Water Commission serves as a policy advisory body to the Director of Water Resources on all California water resources matters. The nine—member citizen commission provides a water resources forum for the people of the State, acts as a liaison between the legislative and executive branches of State Government, and coordinates federal, state, and local water resources efforts.

Organization of the Department of Water Resources



Reporting of Recreation and Fish and Wildlife Enhancement Costs

Section 11912 of the California Water Code assigns to the Department of Water Resources (Department) the following responsibilities:

It shall be the duty of the Department to report annually to the Legislature the costs, if any, which the Department has allocated to recreation and fish and wildlife enhancement for each facility of any state water project. The Department shall also report to the Legislature any revisions which the Department makes in such allocations.

The Department shall submit each such cost allocation to the Department of Navigation and Ocean Development (Department of Boating and Waterways), the Department of Parks and Recreation, and to the Department of Fish and Game. The Department of Navigation and Ocean Development, the Department of Parks and Recreation, and the Department of Fish and Game shall file with the Department of Water Resources their written comments with respect to each such cost allocation, which written comments shall be included in the report required by this section.

It shall also be the duty of the Department to report to the Legislature on any expenditure of funds for acquiring rights-of-way, easements and property pursuant to Section 346 for recreation development associated with such facilities....

This appendix is the Department's 1991 report, as required by Section 11912 of the California Water Code.

For brevity, "fish and wildlife enhancement" is hereafter referred to as "enhancement." The Department's (DWR) cost allocations treat recreation and enhancement as one combined purpose of the State Water Project (SWP).

Organization of Report

Capital costs of SWP facilities allocated by DWR to recreation and enhancement, through December 31, 1990, are shown in Table 1, pages 8 and 9. Table 1 also shows the expenditures for acquiring rights of way, easements, and property for recreation development associated with such facilities. Table 2 details the accrued interest charges through June 30, 1988, included in the costs shown in Table 1. Interest accruals terminate in 1988 in compliance with the offset Legislation. Table 2 also details reimbursements through December 31, 1990.

The notes to Table 1, pages 10 through 12, explain DWR's procedures for reporting recreation and enhancement costs, describe how the amounts shown in the table are calculated, and reconcile significant changes from costs shown in previous reports.

The costs shown in Table 1 do not reflect new or revised allocations for any facility of the SWP. The derivation of allocation percentages indicated for joint capital costs of those multipurpose facilities listed in the upper portion of Table 1 have been described in previous reports. Copies of those descriptions are available upon request to DWR.

A summary of allocation percentages is shown in a separate table, along with illustrative allocation percentages for facilities not yet reported.

Included at the end of this report are comments by the Department of Boating and Waterways, the Department of Parks and Recreation, and the Department of Fish and Game.

TABLE 1. RECREATION AND ENHANCEMENT

(Reported to the California Legislature in
(in

ITEM	1952-1977	1978	1979	1980	1981	1982	1983	1984
	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]
Joint Capital Costs Allocated to								
Frenchman Dam and Lake (78.5%)								
California Water Resources Development Bond Fund	102,997	0	0	0	0	0	0	0
All Other Funds	2,436,781	10,531	9,278	56,964	13,705	69,404	64,497	2,489
Subtotal	2,539,778	10,531	9,278	56,964	13,705	69,404	64,497	2,489
Antelope Dam and Lake (100%)								
California Water Resources Development Bond Fund	1,036,428	0	0	0	0	0	0	0
All Other Funds	3,947,517	18,514	16,099	61,303	4,516	88,787	42,172	47,466
Subtotal	4,983,945	18,514	16,099	61,303	4,516	88,787	42,172	47,466
Grizzly Valley Dam and Lake Davis (99.0%)								
California Water Resources Development Bond Fund	4,003,092	0	0	0	0	0	0	0
All Other Funds	718,786	78,430	45,879	92,353	10,325	51,133	27,800	21,533
Subtotal	4,721,878	78,430	45,879	92,353	10,325	51,133	27,800	21,533
San Luis Dam and Reservoir O'Neill Forebay and Los Banos Reservoir (3.4%)								
California Water Resources Development Bond Fund	2,031,849	(56)	0	(2,078)	(1,600)	(35,295)	(16,797)	(15,349)
All Other Funds	1,404,688	(22,713)	(2,289)	19,269	8,943	282,461	137,631	64,688
Subtotal	3,436,537	(22,769)	(2,289)	17,191	7,343	247,166	120,834	49,339
California Aqueduct Delta to Dos Amigos P.P. (3.4%)								
California Water Resources Development Bond Fund	4,467,667	0	0	0	0	0	0	0
All Other Funds	816,496	19,999	32,771	28,506	194,164	138,243	50,940	84,414
Subtotal	5,284,163	19,999	32,771	28,506	194,164	138,243	50,940	84,414
Oroville Division (2.9%)								
California Water Resources Development Bond Fund	5,725,360	(19)	(23)	(27)	(29)	(28)	(9)	0
All Other Funds	3,927,528	83,103	52,177	28,974	18,411	14,317	17,718	18,207
Subtotal	9,652,888	83,084	52,154	28,947	18,382	14,289	17,709	18,207
Del Valle Dam and Lake Del Valle (48.0%)								
California Water Resources Development Bond Fund	10,546,762	0	0	0	0	0	0	0
All Other Funds	2,297,265	9,324	33,333	35,871	23,936	24,576	78,104	165,408
Subtotal	12,844,027	9,324	33,333	35,871	23,936	24,576	78,104	165,408
California Aqueduct Dos Amigos P.P. to Termini (5.7%)								
California Water Resources Development Bond Fund	48,622,605	(1,440)	(155)	3,473	2,686	59,162	28,158	25,736
All Other Funds	26,829,604	868,320	1,602,475	2,281,743	1,978,529	3,169,735	2,315,260	1,446,753
Subtotal	75,452,209	866,880	1,602,320	2,285,216	1,981,215	3,228,897	2,343,418	1,472,489
TOTAL	118,915,425	1,063,993	1,789,545	2,606,351	2,253,586	3,862,495	2,745,474	1,861,345
Specific Costs of Acquiring								
Frenchman Dam and Lake								
California Water Resources Development Bond Fund	3,379	0	0	0	0	0	0	0
All Other Funds	49,947	0	0	0	0	0	0	0
Subtotal	53,326	0	0	0	0	0	0	0
Grizzly Valley Dam and Lake Davis								
California Water Resources Development Bond Fund	204,116	0	0	0	0	0	0	0
All Other Funds	5,246	0	2,648	56,918	76,931	451,796	2,792	(203,509)
Subtotal	209,362	0	2,648	56,918	76,931	451,796	2,792	(203,509)
Abbey Bridge Dam and Reservoir								
California Water Resources Development Bond Fund	9	0	0	0	0	0	0	0
All Other Funds	9,921	0	0	0	0	0	0	0
Subtotal	9,930	0	0	0	0	0	0	0
San Luis Dam and Reservoir O'Neill Forebay and Los Banos Reservoir								
California Water Resources Development Bond Fund	395,284	0	0	0	0	0	0	0
All Other Funds	209,711	1,075	56,049	126	107	278	187	40
Subtotal	604,995	1,075	56,049	126	107	278	187	40
California Aqueduct Delta to Dos Amigos P.P.								
California Water Resources Development Bond Fund	461,086	0	0	0	0	0	0	0
All Other Funds	110,037	978	21,952	43,344	11,275	44,919	12,828	(55,443)
Subtotal	571,123	978	21,952	43,344	11,275	44,919	12,828	(55,443)
Oroville Division								
California Water Resources Development Bond Fund	7,809,916	(57)	(69)	(81)	(88)	(86)	(26)	0
All Other Funds	338,019	101,283	1,313	1,853	1,033	20,170	41,068	174,752
Subtotal	8,147,935	101,226	1,244	1,772	945	20,084	41,042	174,752
Del Valle Dam and Lake Del Valle								
California Water Resources Development Bond Fund	519,425	0	0	0	0	0	0	0
All Other Funds	(37,515)	707	262	389	314	292	499	437
Subtotal	481,910	707	262	389	314	292	499	437
California Aqueduct Dos Amigos P.P. to Termini								
California Water Resources Development Bond Fund	478,971	0	0	0	0	0	0	0
All Other Funds	56,987	33,357	274,051	125,515	3,826	(11,992)	(13,190)	1,272
Subtotal	535,958	33,357	274,051	125,515	3,826	(11,992)	(13,190)	1,272
Castaic Dam and Lake								
California Water Resources Development Bond Fund	1,954,297	0	0	0	0	0	0	0
All Other Funds	296,447	49,662	113,056	469,435	9,145	3,357	6,132	510
Subtotal	2,250,744	49,662	113,056	469,435	9,145	3,357	6,132	510
Cedar Springs Dam and Silverwood Lake								
California Water Resources Development Bond Fund	424,966	0	0	0	0	0	0	0
All Other Funds	259,869	8,402	15,953	56,905	3,144	7,529	3,240	885
Subtotal	684,835	8,402	15,953	56,905	3,144	7,529	3,240	885
Perris Dam and Lake Perris								
California Water Resources Development Bond Fund	1,022,313	0	0	0	0	0	0	0
All Other Funds	3,769,402	84,460	206,806	879,590	0	(279)	0	0
Subtotal	4,791,715	84,460	206,806	879,590	0	(279)	0	0
TOTAL	18,341,833	279,867	692,021	1,633,994	105,687	515,984	53,530	(81,058)
Total Recreation and Enhancement Costs								
California Water Resources Development Bond Fund	89,810,522	(1,572)	(247)	1,287	969	23,753	11,326	10,387
All Other Funds	47,446,736	1,345,432	2,481,813	4,239,058	2,358,304	4,354,726	2,787,678	1,789,902
GRAND TOTAL	137,257,258	1,343,860	2,481,566	4,240,345	2,359,273	4,378,479	2,799,004	1,780,289

COST OF THE STATE WATER PROJECT (a

Response to Water Code Section 11912)
dollars)

1985	1986	1987	1988	1989	1990	TOTAL	INTEREST	TOTAL	PREVIOUS	INCREASE
[9]	[10]	[11]	[12]	[13]	[14]	[15]	[16]	[17]	[18]	[19]
Recreation and Enhancement: (b										
0	0	0	0	0	0	102,997	1,903	104,900	104,900	0
39,556	4,700	1,724	1,704	1,030	742	2,713,105	0	2,713,105	2,714,612	(1,507)
39,556	4,700	1,724	1,704	1,030	742	2,816,102	1,903	2,818,005	2,819,512	(1,507)
0	0	0	0	0	0	1,036,428	103,939	1,140,367	1,140,367	0
85,010	21,299	9,752	2,462	20,198	22,322	4,387,417	0	4,387,417	4,366,165	21,252
85,010	21,299	9,752	2,462	20,198	22,322	5,423,845	103,939	5,527,784	5,506,532	21,252
0	0	0	0	0	0	4,003,092	441,502	4,444,594	4,444,594	0
8,250	14,853	125,952	1,128,910	96,996	(438)	2,420,762	0	2,420,762	2,383,380	37,382
8,250	14,853	125,952	1,128,910	96,996	(438)	6,423,854	441,502	6,865,356	6,827,974	37,382
(3,769)	(2,371)	(14,203)	(4,973)	(2,661)	(3,901)	1,928,796	297,081	2,225,877	2,230,508	(4,631)
27,770	23,568	262,380	53,091	32,347	27,427	2,319,261	0	2,319,261	2,278,476	40,785
24,001	21,197	248,177	48,118	29,686	23,526	4,248,057	297,081	4,545,138	4,508,984	36,154
0	0	0	0	0	0	4,467,667	799,684	5,267,351	5,267,351	0
38,296	25,421	48,546	146,317	371,206	750,169	2,745,488	0	2,745,488	2,002,326	743,162
38,296	25,421	48,546	146,317	371,206	750,169	7,213,155	799,684	8,012,839	7,269,677	743,162
0	0	(9)	0	0	0	5,725,216	1,835,409	7,560,625	7,560,625	0
17,354	36,523	5,923	11,998	13,847	15,352	4,261,432	0	4,261,432	4,247,123	14,309
17,354	36,523	5,914	11,998	13,847	15,352	9,986,648	1,835,409	11,822,057	11,807,748	14,309
0	0	0	0	0	0	10,546,762	5,953,867	16,500,629	16,500,629	0
43,912	17,781	41,499	36,541	21,225	64,825	2,893,600	0	2,893,600	2,794,718	98,882
43,912	17,781	41,499	36,541	21,225	64,825	13,440,362	5,953,867	19,394,229	19,295,347	98,882
6,324	3,979	23,812	8,338	4,461	6,540	48,793,679	67,880,190	116,673,869	116,666,677	7,192
795,607	523,793	394,525	461,365	1,378,735	777,575	44,824,019	0	44,824,019	44,276,243	547,776
801,931	527,772	418,337	469,703	1,383,196	784,115	93,617,698	67,880,190	161,497,888	160,942,920	554,968
1,058,310	669,546	899,901	1,845,753	1,937,384	1,660,613	143,169,721	77,313,575	220,483,296	218,978,694	1,504,602
Land for Recreation Development: (c										
0	0	0	0	0	0	3,379	141	3,520	3,520	0
0	0	0	0	0	0	49,947	0	49,947	49,947	0
0	0	0	0	0	0	53,326	141	53,467	53,467	0
0	0	0	0	0	0	204,116	15,948	220,064	220,064	0
1,216	19,984	9,185	38	19,046	21,030	463,321	0	463,321	439,831	23,490
1,216	19,984	9,185	38	19,046	21,030	667,437	15,948	683,385	659,895	23,490
0	0	0	0	0	0	9	0	9	9	0
0	0	0	0	0	0	9,921	0	9,921	9,921	0
0	0	0	0	0	0	9,930	0	9,930	9,930	0
0	0	0	0	0	0	395,284	30,416	425,700	425,700	0
817	44,032	43,422	40,029	19,605	132	415,610	0	415,610	414,995	615
817	44,032	43,422	40,029	19,605	132	810,894	30,416	841,310	840,695	615
0	0	0	0	0	0	461,086	142,801	603,887	603,887	0
(44,376)	(77,137)	(54,566)	(41,783)	(47,391)	(26,030)	(101,393)	0	(101,393)	(50,922)	(50,471)
(44,376)	(77,137)	(54,566)	(41,783)	(47,391)	(26,030)	359,693	142,801	502,494	552,965	(50,471)
0	0	0	0	0	0	7,809,509	3,246,345	11,055,854	11,055,854	0
879	1,779	12,113	(8,998)	593	840	686,697	0	686,697	671,406	15,291
879	1,779	12,113	(8,998)	593	840	8,496,206	3,246,345	11,742,551	11,727,260	15,291
0	0	0	0	0	0	519,425	397,653	917,078	917,078	0
953	931	531	0	0	0	(32,200)	0	(32,200)	(32,200)	0
953	931	531	0	0	0	487,225	397,653	884,878	884,878	0
0	0	0	0	0	0	478,971	350,373	829,344	829,344	0
(5,007)	(5,658)	(6,401)	(7,309)	(47,102)	0	398,349	0	398,349	398,349	0
(5,007)	(5,658)	(6,401)	(7,309)	(47,102)	0	877,320	350,373	1,227,693	1,227,693	0
0	0	0	0	0	0	1,954,297	1,585,943	3,540,240	3,540,240	0
564	0	0	1,139	774	500	950,721	0	950,721	950,216	505
564	0	0	1,139	774	500	2,905,018	1,585,943	4,490,961	4,490,456	505
0	0	0	0	0	0	424,966	347,376	772,342	772,342	0
1,191	1,547	1,452	3,405	4,592	2,051	370,165	0	370,165	367,057	3,108
1,191	1,547	1,452	3,405	4,592	2,051	795,131	347,376	1,142,507	1,139,399	3,108
0	0	0	0	0	0	1,022,313	948,429	1,970,742	1,970,742	0
0	0	0	0	0	0	4,939,979	0	4,939,979	4,939,979	0
0	0	0	0	0	0	5,962,292	948,429	6,910,721	6,910,721	0
(43,763)	(14,522)	5,736	(13,479)	(49,883)	(1,477)	21,424,472	7,065,425	28,489,897	28,497,359	(7,462)
2,555	1,608	9,600	3,365	1,800	2,639	89,877,992	84,379,000	174,256,992	174,254,431	2,561
1,011,992	653,416	896,037	1,828,909	1,885,701	1,656,497	74,716,201	0	74,716,201	73,221,622	1,494,579
1,014,547	655,024	905,637	1,832,274	1,887,501	1,659,136	164,594,193	84,379,000	248,973,193	247,476,053	1,497,140

Notes to Table 1, Pages 2 and 3

a) AB 1442 (Statutes of 1989, Chapter 716) cancels (1) specified obligations of the General Fund to reimburse the State Water Project in the amount of \$172,291,000 for fish and wildlife enhancement and recreation and (2) the obligation of the project to reimburse the California Water Fund in an equal amount. AB 1442 also provides for automatic offset, upon approval by the Legislature, of future Davis-Dolwig expenditures against the remaining State Water Project debt to the California Water Fund.

b) Recreation and enhancement costs refer only to (1) multipurpose facility capital costs allocated to recreation, and (2) the capital costs of lands acquired for associated recreation development. These costs are budgeted by DWR from funds that are available for financing Project construction costs.

Recreation and enhancement costs not reported in Table 1 are budgeted by several State departments. These costs, financed by appropriations from a variety of funds, are summarized in the table on this page.

Allocated operation, maintenance, power, and replacement (OMP&R) costs of multipurpose facilities are budgeted by DWR and financed by annual appropriations from the State General Fund. Capital costs (other than land acquisition costs), along with OMP&R costs of recreation facilities, are budgeted by the Department of Parks and Recreation. However, the costs of constructing boating facilities are budgeted by the Department of Boating and Waterways, and the costs of enhancement developments are budgeted by the Department of Fish and Game.

c) Joint capital costs allocated to recreation and enhancement are based on DWR's derivation, for each multipurpose facility, of the percentages of the total joint costs attributable to each included purpose. These derivations are based on the application of conventional cost allocation methods that weigh the estimated costs to be incurred and the benefits to be realized during a 50-year period of analysis. Allocated costs reflect the application of these percentages to the actual capital costs incurred for each facility, as accounted by DWR. Costs allocated to recreation and enhancement generally are first reported in the year after that year when

Type of Recreation and Enhancement Costs Not Reported in Table 1	General Fund Appropriations, Unless Otherwise Noted		
	(a 1991-92	(b 1990-91	Total (c 1962-63 thru 1991-92
Allocated operation, maintenance, power, and replacement costs of multipurpose facilities	0	0	16,735,000
Capital costs of recreation developments	710,000	2,554,000	105,112,000 (e(f
Operation, maintenance, and replacement costs of recreation developments	9,753,000	9,584,000	118,379,000 (g
<p>a) Amount in Governor's budget. b) 1990-91 budgeted amount. c) Actual through 1989-90 plus a) and b). d) No SWP operation and maintenance costs appropriated e) Amounts from State recreation bond funds and other State and Federal recreation funds. f) Includes \$1,236,000 from the Harbors and Watercraft Revolving Fund, and \$200,000 directly from the Highway Users Tax. g) Operation, maintenance, power, and replacement costs are budgeted by the Department of Parks and Recreation; boating facility costs are budgeted by the Department of Boating and Waterways; and enhancement development costs are budgeted by the Department of Fish and Game.</p>			

Summary of Recreation Land Acquisitions (a)

(in acres)

Project Facility	Acquired (b)	To Be Acquired	Federal Lands (c)	Total
Frenchman Lake	719	0	0	719
Antelope Lake	1,361	0	0	1,361
Lake Davis	733	0	0	733
San Luis Reservoir and O'Neill Forebay	2,518	0	0	2,518
Oroville Division	3,534	0	212	3,746
Lake Del Valle	1,206	0	0	1,206
California Aqueduct (excluding reservoirs)	2,172 (d)	(e)	0	2,172
Castaic Lake	1,859	0	577	2,436
Silverwood Lake	305	0	0	305
Lake Perris	4,377	115	0	4,492
Total	18,784	115	789	19,688

a) Includes recreation lands for only those projects with an established recreation land use and acquisition plan.
 b) Costs of acquiring these lands are shown in Table 1.
 c) These lands are being leased from the federal government at a nominal cost to the State.
 d) Lands designated for use in the Department's Southern California wildlife mitigation program are projected to be transferred by the end of the 1991/92 fiscal year to the Department of Fish and Game. When the transfer is made, the acreage will be reduced accordingly.
 e) Additional land needs are to be identified by future studies.

construction of a facility is completed. Those costs may be subsequently changed either by adjusting accounted capital costs or by revising allocation percentages.

d) Specific costs of acquiring land for recreation development are incurred by DWR under the authority of California Water Code Section 346. DWR purchases recreation land concurrently with other lands needed for multipurpose facilities, in order to (1) decrease the total land costs of the Project, and (2) acquire property in an orderly manner. Recreation lands acquired for each Project facility through September 30, 1990, are shown in the table above.

DWR reports the annual expenditure of Project funds for acquiring all recreation land in the year following the expenditure. The costs of such lands generally are established when acquired and are not affected by the allocation percentages for the associated multipurpose Project facility. However, the reported costs of certain lands may be subsequently revised due to (1) receipt of certain revenues (such as federal grants and income from rights of way sales), or (2) modification of the recreation land use plan.

The amounts to be reported in future years will include credits for any reduction in previously reported costs, together with interest income thereon. If recreation land is reclassified as multipurpose project land, the original purchase price, together with appropriate interest income, will be reported as a negative expenditure for specific land costs, and an appropriate amount will be added to joint capital costs allocated to recreation and enhancement for the associated facility.

Previously reported costs of acquiring land for recreation development included about \$1.1 million for land that was used to mitigate impacts to wildlife habitat in Southern California resulting from construction of the SWP. These lands were redesignated from recreation to Project (wildlife mitigation) purposes. The amounts reported herein have been reduced by credits to previously reported costs, and interest income thereon.

The costs of acquiring recreation land also include the salaries of DWR personnel engaged in recreation land acquisition activities, together with indirect costs distributed on the basis of direct salaries.

e) Interest accruals are calculated as shown in Table 2 (pages 13-14). Interest charges are accrued through June 30, 1988 only on the portion of annual disbursements financed by the California Water Resources Development Bond Fund. Calculations are based on the weighted average interest costs of Burns-Porter and Water System Revenue bonds sold to date (4.613 percent for the bonds outstanding on June 30, 1990). DWR has sold Water System Revenue Bonds to finance additional multipurpose facilities. Interest accruals reported in Table 2 include a portion of the interest costs of these revenue bonds. This rate differs from the "Project Interest Rate" under SWP water supply contracts, in that interest costs on power revenue bond sales are not included.

Through fiscal year 1987-88, a total of \$90 million had been reimbursed to DWR from the State's tideland oil and gas revenues, authorized by California Statutes of 1966, First Extraordinary Session, Chapter 27.

AB 1442, the "Offset Legislation" enacted in September 1989, was effective January 1, 1990. Under the Offset Legislation, interest accruals on California Water Resources Development Bond Fund expenditures are terminated on June 30, 1988. This legislation provides for a lump sum reimbursement to DWR for recreation and wildlife enhancement expenditures through June 30, 1988, and offsets monies owed the California Water Fund by the SWP in the amount of \$172,291,000. Of this amount, \$155,087,000 is for capital expenditures reported herein, and \$17,204,000 for operating costs. AB1442 also provides for continued reimbursement of annual expenditures subsequent to June 30, 1988. (The full text of the legislation is reproduced on pages 17 through 19 of this report.)

f) Costs previously reported are as shown in Table 1 (pages 8 and 9) of Appendix D to Bulletin 132-90. Such costs were based on DWR's accounting records as of December 31, 1989. The average interest cost was then 4.613 percent.

g) Reasons for cost changes are outlined below:

- Additional disbursements during 1990 for recreation lands and for joint capital costs allocated to recreation and enhancement: \$1,659,000
- Adjustment to allocated costs for Frenchman Dam & Lake resulting from updating historical data based on actual costs: -\$3,000
- Adjustment to recreation land costs for 1989 for Grizzly Valley Dam and Lake Davis: \$41,000
- Adjustment of allocated costs for Dos Amigos to Termini, for updating historical costs: -\$229,000
- Adjustment to recreation land costs for Oroville Dam in 1987, 1988 and 1989: \$13,000
- Adjustment to historical costs for San Luis Dam & Lake and O'Neill Forebay for 1989: \$13,000
- Adjustment to allocated costs for Del Valle Dam and Lake Del Valle: \$34,000
- Adjustment to recreation land costs for Delta to Dos Amigos for 1989: -\$31,000

TOTAL CHANGE: \$1,497,000

Summary of Allocation Percentages

Each year DWR determines water contractor charges for the SWP based on allocations of costs among purposes of facilities used for more than a single purpose. These determinations are based on the percentages previously reported to and approved by the Legislature, as well as preliminary estimates for facilities not yet reported. These percentages are summarized in the following table:

(in percent of joint costs of the respective facilities)				
Facilities of the State Water Project	Reimbursable Purposes	Nonreimbursable Purposes		Total
	Water Supply & Power Generation	Flood Control	Recreation & Fish and Wildlife Enhancement	
Capital Costs of Features Jointly Used				
Project Conservation Facilities				
Frenchman Dam and Lake (a)	21.5	0	78.5	100.0
Antelope Dam and Lake (a)	0	0	100.0	100.0
Grizzly Valley Dam and Lake Davis (a)	1.0	0	99.0	100.0
Oroville Division (a)(b)	97.1	0	2.9	100.0
California Aqueduct, Delta to Dos Amigos Pumping Plant (a)	96.6	0	3.4	100.0
Delta Facilities (c)	86.0	0	14.0	100.0
Project Transportation Facilities				
Grizzly Valley Pipeline	100.0	0	0	100.0
North Bay Aqueduct	100.0	0	0	100.0
South Bay Aqueduct:				
Del Valle Dam and Lake Del Valle (a)	25.2	26.8	48.0	100.0
Remainder of South Bay Aqueduct	100.0	0	0	100.0
California Aqueduct, Delta to Dos Amigos Pumping Plant (a)	96.6	0	3.4	100.0
California Aqueduct, Dos Amigos Pumping Plant to Termini excluding the Coastal Branch (a)	94.3	0	5.7	100.0
Coastal Branch	100.0	0	0	100.0
a) Final percentages, subject to review as discussed on page 10.				
b) Percentages are applicable to Capital Costs of Features Jointly Used, minus Federal Flood Control Payments.				
c) Illustrative percentages only, assumed for current project financial and repayment analyses.				
Note: Percentages shown are those applicable to the costs of the facilities as accounted by the State, or, in the case of Federal-State joint-use facilities (San Luis Facilities), only the State's share of the total cost.				

Table 2. Calculation of Interest Accruals on California

(In dollars)

Joint Capital Costs Allocated to Recreation and Enhancement										
Year	Item	Frenchman Dam and Lake	Antelope Dam and Lake	Grizzly Valley Dam and Lake Davis	Sisk Dam, San Luis Res. O'Neill Forebay & Los Banos Reservoir	California Aqueduct Delta to Dos Amigos P.P.	Oroville Division	Del Valle Dam and Lake Del Valle	California Aqueduct Dos Amigos P.P. to Termini	Total
		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
1952-1986 Disbursements:										
	1. Calif. Water Resources Development Bond Fund	102,997	1,036,428	4,003,092	1,954,534	4,467,667	5,725,225	10,546,762	48,750,528	76,587,233
	2. All Other Funds	2,707,905	4,332,683	1,069,342	1,944,016	1,429,250	4,214,312	2,729,510	41,811,819	60,238,837
Reimbursements:										
	1. Calif. Water Resources Development Bond Fund	104,900	1,140,367	4,444,594	2,254,713	5,267,351	7,560,634	16,500,629	5,864,224	43,137,412
	2. All Other Funds	2,703,205	4,311,384	1,054,489	1,920,248	1,420,738	4,177,789	2,711,237	0	18,299,090
	Interest Accruals	1,903	103,939	441,502	297,729	799,684	1,835,409	5,953,867	60,697,119	70,131,152
1987 Beginning of Year Balance to be Reimbursed:										
	1. Calif. Water Resources Development Bond Fund	0	0	0	(2,450)	0	0	0	103,583,423	103,580,973
	2. All Other Funds	4,700	21,299	14,853	23,768	8,512	36,523	18,273	41,811,819	41,939,747
Disbursements During Year:										
	1. Calif. Water Resources Development Bond Fund	0	0	0	(14,203)	0	(9)	0	23,812	9,600
	2. All Other Funds	1,724	9,752	125,952	262,380	48,546	5,923	41,499	394,525	890,301
End-of-Year Balance:										
	1. Calif. Water Resources Development Bond Fund	0	0	0	(16,653)	0	(9)	0	103,607,235	103,590,573
	2. All Other Funds	6,424	31,051	140,805	286,148	57,058	42,446	59,772	42,206,344	42,830,048
	Interest Accrual on Average Balance	0	0	0	(198)	0	0	0	4,778,193	4,777,995
1988 Beginning of Year Balance to be Reimbursed:										
	1. Calif. Water Resources Development Bond Fund	0	0	0	(16,851)	0	(9)	0	108,385,428	108,368,568
	2. All Other Funds	6,424	31,051	140,805	286,148	57,058	42,446	59,772	42,206,344	42,830,048
Disbursements During Year:										
	1. Calif. Water Resources Development Bond Fund	0	0	0	(4,973)	0	0	0	8,338	3,365
	2. All Other Funds	1,704	2,462	1,128,910	53,091	146,317	11,998	36,541	461,365	1,842,388
End-of-Year Balance:										
	1. Calif. Water Resources Development Bond Fund	0	0	0	(21,824)	0	(9)	0	108,393,766	108,371,933
	2. All Other Funds	8,128	33,513	1,269,715	339,239	203,375	54,444	96,313	42,667,709	44,672,436
	Interest Accrual on Average Balance	0	0	0	(450)	0	0	0	2,404,878	2,404,428
1989 Beginning of Year Balance to be Reimbursed:										
	1. Calif. Water Resources Development Bond Fund	0	0	0	(22,274)	0	(9)	0	110,798,644	110,776,361
	2. All Other Funds	8,128	33,513	1,269,715	339,239	203,375	54,444	96,313	42,667,709	44,672,436
Disbursements During Year:										
	1. Calif. Water Resources Development Bond Fund	0	0	0	(2,661)	0	0	0	4,461	1,800
	2. All Other Funds	1,030	20,198	96,996	32,347	371,206	13,847	21,225	1,378,735	1,935,584
End-of-Year Balance:										
	1. Calif. Water Resources Development Bond Fund	0	0	0	(24,935)	0	(9)	0	110,803,105	110,778,161
	2. All Other Funds	9,158	53,711	1,366,711	371,586	574,581	68,291	117,538	44,046,444	46,608,020
1990 Beginning of Year Balance to be Reimbursed:										
	1. Calif. Water Resources Development Bond Fund	0	0	0	(24,935)	0	(9)	0	110,803,105	110,778,161
	2. All Other Funds	9,158	53,711	1,366,711	371,586	574,581	68,291	117,538	44,046,444	46,608,020
Disbursements During Year:										
	1. Calif. Water Resources Development Bond Fund	0	0	0	(3,901)	0	0	0	6,540	2,639
	2. All Other Funds	742	22,322	(438)	27,427	750,169	15,352	64,825	777,575	1,657,974
Reimbursements per Offset Legislation - AB 1442 1/										
	1. Calif. Water Resources Development Bond Fund	0	0	0	(28,836)	0	(9)	0	110,809,645	110,780,800
	2. All Other Funds	9,900	76,033	1,366,273	399,013	1,324,750	83,643	182,363	44,824,019	48,265,994
End-of-Year Balance:										
	1. Calif. Water Resources Development Bond Fund	0	0	0	0	0	0	0	0	0
	2. All Other Funds	0	0	0	0	0	0	0	0	0
TOTAL ALL YEARS										
Disbursements:										
	1. Calif. Water Resources Development Bond Fund	102,997	1,036,428	4,003,092	1,928,796	4,467,667	5,725,216	10,546,762	48,793,679	76,604,637
	2. All Other Funds	2,713,105	4,387,417	2,420,762	2,319,261	2,745,488	4,261,432	2,893,600	44,824,019	66,565,084
	TOTAL	2,816,102	5,423,845	6,423,854	4,248,057	7,213,155	9,986,648	13,440,362	93,617,698	143,169,721
Reimbursements:										
	1. Calif. Water Resources Development Bond Fund	104,900	1,140,367	4,444,594	2,225,877	5,267,351	7,560,625	16,500,629	116,673,869	153,918,212
	2. All Other Funds	2,713,105	4,387,417	2,420,762	2,319,261	2,745,488	4,261,432	2,893,600	44,824,019	66,565,084
	TOTAL	2,818,005	5,527,784	6,865,356	4,545,138	8,012,839	11,822,057	19,394,229	161,497,888	220,483,296
TOTAL INTEREST ACCRUALS 1952 THROUGH 1988										
		1,903	103,939	441,502	297,061	799,684	1,835,409	5,953,867	67,880,190	77,313,575

1/ AB 1442, the "Offset" Legislation, in part, added Section 12929.13 to the California Water Code. Section 7 (c) of Section 12929.13 provides \$155,087,000 for unreimbursed expenditures incurred through June 30, 1988. AB 1442 also provides for continued offset of subsequent years expenditures in amended Section 11913 (b). For July 1, 1988 through December 31, 1990 expenditures being reimbursed are \$3,886,193.

Water Resources Development Bond Fund Disbursements

@4.613% per annum)

Specific Costs of Acquiring Land for Recreation Development

Frenchman Dam and Lake	Grizzly Valley Dam and Lake Davis	Abbey Bridge Dam and Reservoir	Sisk Dam, San Luis Res. O'Neill Forebay & Los Banos Reservoir	California Aqueduct Delta to Dos Amigos P.P.	Oroville Division	Del Valle Dam and Lake Del Valle	California Aqueduct Dos Amigos P.P. to Termini	Castaic Dam and Lake	Cedar Springs Dam and Silverwood Lake	Perris Dam and Lake Perris	Total	GRAND TOTAL
[10]	[11]	[12]	[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]
3,379	204,116	9	395,284	461,086	7,809,509	519,425	478,971	1,954,297	424,966	1,022,313	13,273,355	89,860,588
49,947	414,022	9,921	312,422	68,377	682,149	(32,731)	459,161	948,308	358,665	4,939,979	8,210,220	68,449,057
3,520	220,064	9	425,700	603,887	11,055,854	917,078	829,344	3,540,239	772,342	1,970,719	20,338,756	63,476,168
49,947	394,038	9,921	268,390	145,514	680,370	(33,662)	464,819	948,308	357,118	4,939,979	8,224,742	26,523,832
141	15,948	0	30,416	142,801	3,246,345	397,653	350,373	1,585,943	347,376	948,428	7,065,424	77,196,576
0	0	0	0	0	0	0	0	1	0	22	23	103,580,996
0	19,984	0	44,032	(77,137)	1,779	931	(5,658)	0	1,547	0	(14,522)	41,925,225
0	0	0	0	0	0	0	0	0	0	0	0	9,600
0	9,185	0	43,422	(54,566)	12,113	531	(6,401)	0	1,452	0	5,736	896,037
0	0	0	0	0	0	0	0	1	0	22	23	103,590,596
0	29,169	0	87,454	(131,703)	13,892	1,462	(12,059)	0	2,999	0	(8,786)	42,821,262
0	0	0	0	0	0	0	0	0	0	1	1	4,777,996
0	0	0	0	0	0	0	0	1	0	23	24	108,368,592
0	29,169	0	87,454	(131,703)	13,892	1,462	(12,059)	0	2,999	0	(8,786)	42,821,262
0	0	0	0	0	0	0	0	0	0	0	0	3,365
0	38	0	40,029	(41,783)	(8,996)	0	(7,309)	1,139	3,405	0	(13,479)	1,828,909
0	0	0	0	0	0	0	0	1	0	23	24	108,371,957
0	29,207	0	127,483	(173,486)	4,894	1,462	(19,368)	1,139	6,404	0	(22,265)	44,650,171
0	0	0	0	0	0	0	0	0	0	0	0	2,404,428
0	0	0	0	0	0	0	0	1	0	23	24	110,776,385
0	29,207	0	127,483	(173,486)	4,894	1,462	(19,368)	1,139	6,404	0	(22,265)	44,650,171
0	0	0	0	0	0	0	0	0	0	0	0	1,800
0	19,046	0	19,605	(47,391)	593	0	(47,102)	774	4,592	0	(49,883)	1,885,701
0	0	0	0	0	0	0	0	1	0	23	24	110,778,185
0	48,253	0	147,068	(220,877)	5,487	1,462	(66,470)	1,913	10,996	0	(72,148)	46,535,872
0	0	0	0	0	0	0	0	1	0	23	24	110,778,185
0	48,253	0	147,068	(220,877)	5,487	1,462	(66,470)	1,913	10,996	0	(72,148)	46,535,872
0	0	0	0	0	0	0	0	0	0	0	0	2,639
0	21,030	0	132	(26,030)	840	0	0	500	2,051	0	(1,477)	1,656,497
0	0	0	0	0	0	0	0	1	0	23	24	110,780,824
0	69,283	0	147,220	(246,907)	6,327	1,462	(66,470)	2,413	13,047	0	(73,625)	48,192,369
0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0
3,379	204,116	9	395,284	461,086	7,809,509	519,425	478,971	1,954,297	424,966	1,022,313	13,273,355	89,877,992
49,947	463,321	9,921	415,610	(101,393)	686,697	(32,200)	398,349	950,721	370,165	4,939,979	8,151,117	74,716,201
53,326	667,437	9,930	810,894	359,693	8,496,206	487,225	877,320	2,905,018	795,131	5,962,292	21,424,472	164,594,193
3,520	220,064	9	425,700	603,887	11,055,854	917,078	829,344	3,540,240	772,342	1,970,742	20,338,780	174,256,992
49,947	463,321	9,921	415,610	(101,393)	686,697	(32,200)	398,349	950,721	370,165	4,939,979	8,151,117	74,716,201
53,467	683,385	9,930	841,310	502,494	11,742,551	884,878	1,227,693	4,490,961	1,142,507	6,910,698	28,489,897	248,973,193
141	15,948	0	30,416	142,801	3,246,345	397,653	350,373	1,585,943	347,376	948,429	7,065,425	84,379,000

ASSEMBLY BILL NO. 1442

CHAPTER 716

An act to amend Section 11913 of, and to add Sections 12303, 12929.10, 12929.12, and 12929.13 to, the Water Code, relating to water resources.

The people of the State of California do enact as follows:

SECTION 1. this act shall be known as the Environmental Water Act of 1989.

SEC. 2. Section 11913 of the Water Code is amended to read:

11913. (a) The Legislature hereby declares its intent that, except as funds are provided pursuant to Section 11915, there shall be included in the budget for the department for each fiscal year, and in the Budget Act for each fiscal year, an appropriation from the General Fund of the funds necessary for enhancement of fish and wildlife and for recreation in connection with state water projects as provided in this chapter.

(b) Notwithstanding subdivision (a), the obligation of the State Water Resources Development System to reimburse the California Water pursuant to paragraph (3) of subdivision (b) of Section 12937 shall be reduced by the total of unreimbursed department costs incurred in the 1988-89 fiscal year and each succeeding fiscal year for enhancement of fish and wildlife and for recreation pursuant to this chapter. The reduction shall be contingent upon annual approval by the Legislature, in the Budget Act or other act, of the department's allocation of those costs.

SEC. 3. Section 12303 is added to the Water Code, to read:

12303. (a) It is the intent of the Legislature that, subject to subdivision (b) of Section 12929.12, if twelve million dollars (\$12,000,000) or any lesser amount is transferred pursuant to paragraph (3) of subdivision (b) of Section 12937 to the California Water Fund from the California Water Resources Development Bond Fund in each of the fiscal years 1990-91 to 1997-98, inclusive, and is six million dollars (\$6,000,000) or any lesser amount is so transferred in the 1998-99 fiscal year, that amount shall be appropriated to the Delta Flood Protection Fund for the purposes specified in subdivision (b) of Section 12300, in lieu of the funds deposited in the California Water Fund pursuant to subdivision (b) of Section 6217 of the Public Resources Code. However, that the director, in consultation with the Department of Finance, may accelerate payments to the California Water Fund for reappropriation to the Delta Flood Protection Fund if the director deems it appropriate to do so.

(b) The obligation of the State Water Resources Development System to reimburse the California Water Fund, pursuant to paragraph (3) of subdivision (b) of Section 12937, shall decrease by amounts equal to the amounts which are transferred from the California Water Resources Development Bond Fund to the California Water Fund and appropriated to the Delta Flood Protection Fund pursuant to subdivision (a).

(c) For any fiscal year, the Director of Finance, in consultation with the Director of Water Resources, may recommend in the Budget Act a source of funding for the Delta Flood Protection Fund which is different from that set forth in subdivision (a). If the Legislature approves the alternative source of funding, the portion of the State Water Resources Development System obligation specified in subdivision (b) which remains outstanding because of the selection of the alternative funding source shall be discharged pursuant to subdivision (b) of Section 11913.

SEC. 4. Section 12929.10 is added to the Water Code, to read:

12929.10. The Environmental Water Fund is hereby created in the State Treasury. There shall be deposited in the fund all moneys transferred or appropriated to the fund and all income derived from investment of moneys that are in the fund.

SEC. 5. Section 12929.12 is added to the Water Code, to read:

12929.12. (a) It is the intent of the Legislature that sixty-five million dollars (\$65,000,000) of the funds which may be transferred, pursuant to paragraph (3) of subdivision (b) of Section 12937, to the California Water Fund from the California Water Resources Development Bond Fund, shall be appropriated to the Environmental Water Fund. It is the intent of the Legislature, subject to subdivision (b), to appropriate to the Environmental Water Fund one million dollars (\$1,000,000) in the 1990-91 fiscal year and eight million dollars (\$8,000,000) per

year in fiscal years 1991-92 to 1998-99, inclusive. However, the director, in consultation with the Department of Finance, may accelerate payments to the California Water Fund for appropriation to the Environmental Water Fund if the director deems it appropriate to do so.

(b) It is the further intent of the Legislature that if the director determines that all or any portion of the amount which would otherwise be appropriated in any fiscal year to the Environmental Water Fund in accordance with subdivision (a), or to the Delta Flood Protection Fund pursuant to Section 1303, is required for continued construction of the State Water Resources Development System pursuant to Section 12938, the entire amount which would otherwise be appropriated to the Environmental Fund for that fiscal year shall be reduced to zero before any reduction is made in the amount to be appropriated to the Delta Flood Protection Fund. It is also the intent of the Legislature that any reduction in funds to the Environmental Water Fund and the Delta Flood Protection Fund pursuant to this subdivision be made up from funds transferred to the California Water Fund pursuant to paragraph (3) of subdivision (b) of Section 12937 in subsequent fiscal years.

SEC. 6. Section 12929.13 is added to the Water Code, to read:

12929.13. It is further the intent of the Legislature that the reductions and transfers described in Sections 11913, 12303, and 12929.12 shall continue until the obligation of the State Water Resources Development System to reimburse the California Water Fund pursuant to paragraph (3) of subdivision (b) of Section 12937 is satisfied.

SEC. 7. The Legislature finds and declares as follows:

(a) To the extent that the revenues of the State Water Resources Development System deposited in the State Water Resources Development Bond Fund are surplus to maintenance, operation, and replacement costs, to payment of principal and interest on bonds, and to reasonable reserves for each of these purposes, the system is obligated, pursuant to paragraph (3) of subdivision (b) of Section 12937 of the Water Code, to transfer those surplus funds to the California Water Fund as reimbursement for moneys used from that fund for construction of the system.

(b) A total of four hundred thirty-two million eight hundred thousand dollars (432,800,000) from the California Water Fund has been used for construction of the State Water Resources Development System.

(c) Pursuant to the Davis-Dolwig Act (Chapter 10 (commencing with Section 11900) of Part 3 of Division 6 of the Water Code), the General Fund is currently obligated to reimburse the State Water Resources Development System one hundred seventy-two million two hundred ninety-one thousand dollars (\$172,291,000) for unreimbursed costs incurred through June 30, 1988, for recreation and fish and wildlife enhancement, including capital costs, recreation land acquisition costs, operations and maintenance costs, and interest costs which have been borne by the State Water Resources Development System.

(d) Section 12912.5 of the Water Code declares the intent of the Legislature to annually appropriate five million dollars (\$5,000,000) from moneys deposited in the California Water Fund pursuant to subdivision (b) of Section 6217 of the Public Resources Code to the Department of Water Resources for mitigation of adverse effects to water quality, fisheries, and wildlife in the Sacramento-San Joaquin River Delta, Suisun Marsh, San Francisco Bay, and the Salton Sea. Pursuant to Section 12912.5 of the Water Code, the General Fund is currently obligated to reimburse the State Water Resources Development System the amount of nine million four hundred seventy-eight thousand dollars (\$9,478,000) for the General Fund share of costs expended through June 30, 198, for mitigation facilities constructed in the Suisun Marsh pursuant to the Suisun Marsh Preservation Agreement entered in by the United States Bureau of Reclamation, the Department of Water Resources, the Department of Fish and Game, and the Suisun Resource Conservation District. This act provides a mechanism to meet this obligation in lieu of utilizing funds deposited in the California Water Fund pursuant to subdivision (b) of Section 6217 of the Public Resources Code.

(e) Section 12300 of the Water Code declares the intent of the Legislature annually through fiscal year 1998-99 to transfer twelve million dollars (\$12,000,000) to the Delta Flood Protection Fund from moneys deposited in the California Water Fund pursuant to subdivision (b) of Section 6217 of the Public Resources Code and to appropriate those moneys for the following purposes:

- (1) Local assistance for maintenance and improvement of delta levees.
- (2) Special delta flood protection projects, subsidence studies, and monitoring.

(f) It is necessary and desirable to do the following:

(1) To offset the one hundred seventy-two million two hundred ninety-one thousand dollars (\$172,291,000) for fish and wildlife enhancement and recreation and the nine million four hundred seventy-eight thousand dollars (\$9,478,000) for Suisun Marsh facilities owed by the General Fund to the State Water Resources Development System against the four hundred thirty-two million eight hundred thousand dollars (\$432,800,000) obligation of the State Water Resources Development System to the California Water Fund.

(2) To authorize the State Water Resources Development System to further reimburse the California Water Fund by depositing system revenues, as described in paragraph (3) of subdivision (b) of Section 12937 of the Water Code, in the California Water Fund for fiscal years 1989-90 to 1998-99, inclusive, for appropriation by the Legislature for the purposes specified in subdivision (e), in lieu of the appropriation of funds deposited in the California Water Fund pursuant to subdivision (b) of Section 6217 of the Public Resources Code.

(3) To provide for the continued offset of funds expended by the State Water Resources Development System for recreation and fish and wildlife enhancement pursuant to the Davis-Dolwig Act against the remaining obligation of the State Water Resources Development System to reimburse the California Water Fund.

SEC. 8. (a) The following obligations of the General Fund to reimburse the State Water Resources Development System for a total amount of one hundred eighty-one million seven hundred sixty-nine thousand dollars (\$181,769,000) are hereby canceled:

(1) The obligation of the General Fund, in accordance with the Davis-Dolwig Act (Chapter 10 (commencing with Section 11900) of Part 3 of Division 6 of the Water Code), to reimburse the State Water Resources Development System the amount of one hundred seventy-two million two hundred ninety-one thousand dollars (\$172,291,000) for expenditures through June 30, 1988, of system revenues on recreation and fish and wildlife enhancement.

(2) The obligation pursuant to Section 12912.5 of the Water Code to reimburse the State Water Resources Development System the amount of nine million four hundred seventy-eight thousand dollars (\$9,478,000) for the state share of costs of mitigation facilities constructed through June 30, 1988, pursuant to the Suisun Marsh Preservation Agreement.

(b) The obligation of the State Water Resources Development System to transfer surplus system revenues to the California Water Fund pursuant to paragraph (3) of subdivision (b) of Section 12937 of the Water Code as reimbursement for moneys utilized from the California Water Fund for construction of the system is hereby canceled in the amount of one hundred eighty-one million seven hundred sixty-nine thousand dollars (\$181,769,000).

(c) The transfer of twelve million dollars (\$12,000,000) from the California Water Fund to the Delta Flood Protection Fund pursuant to Item 3860-005-144 of the Budget Act of 1989 shall take effect upon the transfer of twelve million dollars (\$12,000,000) from the California Water Resources Development Bond Fund to the California Water Fund pursuant to paragraph (3) of subdivision (b) of Section 12937 of the Water Code for further appropriation from the Delta Flood Protection Fund pursuant to Items 3860-001-176 and 3860-101-176 of the Budget Act of 1989. The transfer and appropriation shall be in lieu of appropriation of moneys deposited in the California Water Fund pursuant to subdivision (b) of Section 6217 of the Public Resources Code.

(d) The obligation of the State Water Resources Development System to reimburse the California Water Fund, pursuant to paragraph (3) of subdivision (b) of Section 12937 of the Water Code, shall decrease by the amount transferred from the California Water Resources Development Bond Fund to the California Water Fund pursuant to subdivision (c).

**Comments by
The Department of Boating and Waterways
The Department of Parks and Recreation
and
The Department of Fish and Game**

Memorandum

To : Mr. David N. Kennedy
Director
Department of Water Resources
1416 9th Street, A-36
Sacramento, California 95814

Date : MAR 6 1992

Subject: Cost Allocations to
Recreation and Fish and
Wildlife Enhancement
State Water Project

From : Department of Boating and Waterways

The Department of Boating and Waterways, in accordance with Section 11912 of the California Water Code, has reviewed the draft of Appendix D, "Costs of Recreation and Fish and Wildlife Enhancement", to Water Resources' Bulletin 132-91 and we have no comment.



BILL S. SATOW
Interim Director

Memorandum

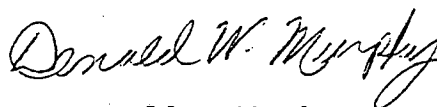
Date : MAR 04 1992

To : The Honorable David N. Kennedy, Director
Department of Water Resources

From : Department of Parks and Recreation

Subject: Cost Allocations to Recreation and Fish and Wildlife Enhancement
State Water Projects

The Department of Parks and Recreation (DPR) has reviewed the draft of Appendix D, "Cost of Recreation and Fish and Wildlife Enhancement," to your Bulletin 132-90, "Management of the California State Water Project." The report appears consistent with those presented in previous years. Since this report includes the Department of Boating and Waterways, and Fish and Game; it would be difficult to verify the allocations. The DPR has discussed the content of this report with your staff and feel confident the data is accurate.



Donald W. Murphy
Director

Memorandum

April 22, 1992

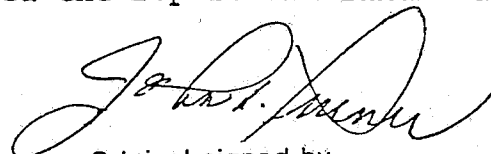
To : Mr. David N. Kennedy, Director
Department of Water Resources
1416 Ninth Street
Sacramento, California 95814

Date :

From : Department of Fish and Game

Subject: Department of Water Resources Bulletin 132-91, Appendix D - Costs
of Recreation and Fish and Wildlife Enhancement

Thank you for the opportunity to review the referenced document. My staff has reviewed the report and finds that we have no comments.



Original signed by
John L. Turner

Boyd Gibbons
Director

State of California—The Resources Agency
DEPARTMENT OF WATER RESOURCES
P.O. Box 942836
Sacramento CA 94236-0001

